

CONSUMER CHOICE OF PLAN RESEARCH RULES TO GUIDE EXCHANGE DECISION SUPPORT

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Agenda

- Project Overview
- Research Findings
- Implications for Consumer Plan Choice
- Decision Support Software Vendor Requirements
- Current Experiments and Upcoming Deliverables

Project Overview

Project Goal: Help Exchanges set up decision support services to assist consumers in selecting a health plan.

Workplan: Conducting online consumer choice of health plan experiments.

What matters to people in choosing a plan

Difficulties people have in choosing

Decision support techniques to help people make plan choice

Deliverables

1. Business rules to embed in consumer plan choice decision-support software.
2. Health plan data element requirements for plan choice.

Timeline

Deliverable installments March, June, & Sept 2012.

Installment 1 (March) rules & supporting plan data requirements <http://pbgh.org>

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Findings

1. Choosing a Health Plan is Difficult Task for Many People
2. Consumers Overweight Impact of Deductible/Cost-share
3. Various Plan Dimensions Matter to Different People
4. Doctor/Practice Choice Matters to Many
5. Track and Improve Exchange Consumer Decision Support Experience

A Difficult Task

Finding: People do not perform better than chance in choosing a less expensive health plan, even in simplified experiments.

- ♦ Few people choose most cost-effective plan
- ♦ Less numerate people are most vulnerable
- ♦ All benefit from cost calculator

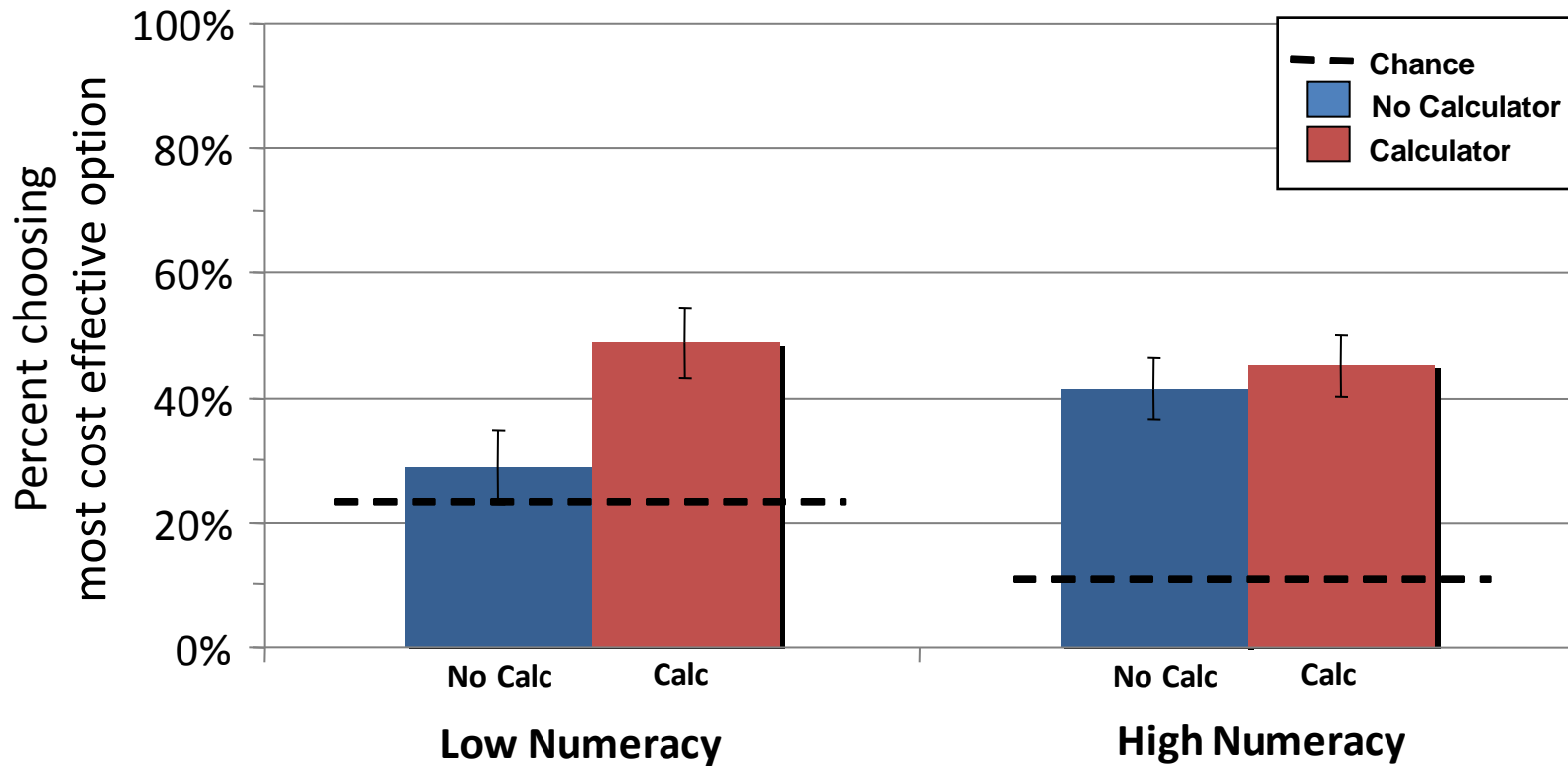
Implications: Choice Rules Using “Shortcuts” to Simplify Choice

- ♦ Add smart defaults: pre-set certain common preferences
- ♦ Summarize information like annual cost at time of care estimate
- ♦ Balance cost information with dimensions like quality ratings
- ♦ Limit number of plan options displayed – user has option to expand # of plans to compare
- ♦ Provide “best plan options”: impact of ‘global smart default’ to be reported in June

Implications: Choice Rules Clarifying Confusing Jargon

- ♦ Special approaches for complex topics like personal account plans
- ♦ Prominent definitions and explanations for insurance terms

- Few people choose cost-effective plan.
- Low numeracy people most vulnerable.
- People benefit from cost calculator.



A Difficult Task

Candidate Vendor Requirements

Decision support software configurable:

- User can select dimensions per preferences/number of dimensions is scalable
- Defaults can be set (or not) so plan choice dimensions automatically display
- Hierarchy of information: detailed information layered below summary (e.g., total cost vs. cost components)

Eliciting Consumer Preferences

Preferences and defaults to prompt user

4. Quality Ratings

Check the box if the quality rating is important to you in comparing medical plans.

- ☐ I want to see how experts and plan members rate the medical plans
- ☐ I want to see how experts and plan members rate the doctors and hospitals in the medical plans

5. Choosing and Using Doctors

Check the box if that aspect of doctor choice is important to you in comparing medical plans.

- ☒ A medical plan that includes my regular doctor is important to me
- ☒ A medical plan that allows me to use any doctor in the plan is important to me -- so I do not need to get an "ok" to see a doctor

6. Wellness Services

Check the box for each wellness service that is important to you in comparing services from the medical plans.

- | | |
|---|---|
| <input type="checkbox"/> Controlling Cholesterol & Blood Pressure | <input checked="" type="checkbox"/> Nutrition and Weight Management |
| <input type="checkbox"/> Managing Your Stress | <input type="checkbox"/> Quit Tobacco |

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Limit Number of Plans

(user has option to expand)

The screenshot shows a web application interface for selecting a health plan. The top navigation bar includes links for [Account Holder], View Account, Sign out, and Save. A search bar and a shopping cart icon are also present. The main content area displays a list of three plans, each with a carrier name, plan name, and type. Below the plan list, there is a section for Anticipated Costs, which includes a table of monthly and annual costs for each plan. The bottom section shows additional coverage options for each plan, including dental and vision coverage. A red circle highlights a right arrow button on the right side of the plan list, indicating that the user can expand the list of plans.

Carrier Name	Plan Name	Plan Type
Carrier Name A	Plan Name A	HMO
Carrier Name B	Plan Name B	PPO
Carrier Name C	Plan Name C	PPO

Plan	Monthly Premium	Annual Cost
Plan A	\$250/month	\$3,000
Plan B	\$167/month	\$2,004
Plan C	\$291/month	\$3,492

Plan	Dental	Vision
Plan A	Dental Included	Vision Included
Plan B	Dental Included	Vision Not-Included
Plan C	Dental Not-Included	Vision Included

Draft
Not for Distribution

Overweighting of Deductible/Cost-Share

Finding:

- People likely to choose a more costly plan because they care too much about the deductible.
- People prefer a higher premium over a higher deductible, due in part to their aversion to uncertainty.

Implications: Choice Rules

- Cost at time of care calculator gives users realistic estimate of their yearly cost for each benefit design
- Avoid giving prominence to cost-share elements like deductible amount – unless balanced with estimated cost amounts
- Will user look to “metals” categorization as proxy for their cost?
– experiment results in June

Overweighting of Deductible/Cost-Share Candidate Vendor Requirements

Decision support software configurable:

- Provide cost at time of care actuarial model & function
 - Ease of use re pre-defined medical use profiles
 - Built into user preferences section
 - Maintenance of actuarial model is clearly specified
- Organization and display of covered services topics – flexibility re placement in information hierarchy to avoid misleading consumer (avoid bold & bright deductible display)

Cost at Time of Care Per Health Status

Refine Your Search

Update Plan Results >

+ Limit Your Monthly Premium

+ Limit Your Annual Drug Deductible

+ Select Drug Options

+ Select Plan Ratings

+ Select Coverage Options

+ Select Special Needs Plans

- Change Health Status

Show costs if my health status is:

☐ Poor

☒ Good

☐ Excellent

+ Select Plans By Company

Update Plan Results >

Summary of Your Search Results

There are a total of 42 plans available in your area including Original Medicare.

Select	Available Plans Based On Your Filters: 41	Provider Choice
All		
<input type="checkbox"/>	Prescription Drug Plans (with Original Medicare)[?] 33 plan(s) available	Choose Any Doctor/Any Hospital [?]
<input type="checkbox"/>	Medicare Health Plans with drug coverage[?] 7 plan(s) available	May Have Doctor/Hospital Network[?]
<input type="checkbox"/>	Medicare Health Plans without drug coverage [?] 1 plan(s) available	May Have Doctor/Hospital Network[?]

Continue To Plan Results >

Cost at Time of Care Per Expected Use

3. Your Cost at Time of Care

Medication Use

Choose the one category that best describes the prescription drug use you expect for next year. For a family, choose the category that best describes the family member who will probably need the most services. One prescription lasts 30 days. For details see [Medication Use](#).

- ☒ Level 1 No health problems or brief illness requires about 2 prescriptions during the year.
- ☐ Level 2 Medication for a moderate health problem requires about 5-7 prescriptions during the year.
- ☐ Level 3 Regular, ongoing medication needs requires at least 1 prescription each month and sometimes 2 prescriptions each month.
- ☐ Level 4 Multiple prescriptions used daily requires more than 30 prescriptions during the year.

Medical Service Use

Choose the one category that best describes the medical service use you expect for the next year. For a family, choose the category that best describes the family member who will probably need the most services. For details see [Medical Services Use](#).

- ☒ Level 1 No health problems or a well-controlled condition requires 2 doctor office visits, including a regular check-up, and several lab tests during the year.
- ☐ Level 2 Moderate health problem requires regular doctor care to watch or control a problem; 5-6 doctor office visits and regular tests or treatments during the year.
- ☐ Level 3 Significant health event or problem requires monthly doctor office visits, outpatient treatment and a number of lab, x-ray or other services, like therapy, during the year.
- ☐ Level 4 Serious and costly problem or condition requires a hospital stay and considerable outpatient care for the problem (or for expected care like pregnancy); about 20 doctor office visits and a large number of tests or treatments during the year.

Doctor/Practice Choice Matters to Many

Finding: 60% commercially insured report existing doctor relationship important in plan choice

Implications: Choice Rules

- Alternative paths: find provider then affiliated plans vs. plans then affiliated provider
- Named doctor search: aggregated all-plans provider directory
- Provide user the number of doctors & practices within search radius
- Distinguish provider quality and plan quality performance
- Incorporate available medical group/doctor quality information
- Guide user about 'doctor accepting new patients'

Doctor/Practice Choice Matters to Many Candidate Vendor Requirements

Decision support software configurable:

- Alternative navigation paths for user
 - Go to doctor search and use doctor to filter plans
 - Go to plan search and can include doctor in set of plan choice dimensions
- Integrate doctor/clinic search function into user preferences
- Quality performance hierarchy – summary indicators and details
- Integrate third-party sites into experience: provider information from health plans, performance initiatives, or other sources

Doctor Choice: Top Dimension

Medical Plan	Your Cost	Doctor Choice	Wellness Services	Key Services What you pay for in-network services	Quality Ratings
Zenith HMO GOLD Yearly total cost \$5,436 My top plan choice	\$7,440 Yearly premium -\$2,124 Yearly premium tax credit \$120 Yearly cost at time of service	Your doctor not found in plan. Must select a primary care physician (PCP); referral required for specialist.	Nutrition & weight management: includes community services More...	Deductible Self/ Family: \$0 Annual Out-of-Pocket Maximum Self/ Family: \$1,000/\$3,000 Doctor Office Visit: \$15 Hospital Stay: \$250 Prescription Retail generic/ brand/ non-formulary: \$5/\$20/\$35 See all services ...	Medical Plan ★★★ Doctors & Hospitals ★★★
Summit HMO GOLD Yearly total cost \$5,006 My top plan choice	\$6,900 Yearly premium -\$2,124 Yearly premium tax credit \$230 Yearly cost at time of service	Plan includes your doctor. Must select a primary care physician (PCP); referral required for specialist.	Nutrition & weight management: no program More...	Deductible Self/ Family: \$0 Annual Out-of-Pocket Maximum Self/ Family: \$1,500/\$3,000 Doctor Office Visit: \$25 Hospital Stay: \$500 Prescription Retail generic/ brand/ non-formulary: \$10/\$20/NA See all services ...	Medical Plan ★★ Doctors & Hospitals ★★
Eminent Health PPO SILVER Yearly total cost \$4,399 My top plan choice	\$6,060 Yearly premium -\$2,124 Yearly premium tax credit \$463 Yearly cost at time of service	Plan includes your doctor. No primary care physician (PCP) required; can self-refer to specialist.	Nutrition & weight management: includes community services More...	Deductible Self/ Family: \$250/\$750 Annual Out-of-Pocket Maximum Self/ Family: \$3,000/\$9,000 Doctor Office Visit: 20% Hospital Stay: 20% Prescription Retail generic/ brand/ non-formulary: \$10/\$25/\$40	Medical Plan ★★★★ Doctors & Hospitals ★★★★

Different Plan Dimensions Matter to Different People

Findings: Each of 6 dimensions of plan choice are important to sizeable consumer segments

Implications: Choice Rules

- Elicit users' preferences to guide plan compare display
- Place user-selected top choice dimensions in primary plan compare display
- Filter by user-selected top choice dimensions – dynamic so user can reset
- Organize supporting information in subsidiary position in the info hierarchy
- Create summary info – quality indicators, total costs, covered services, etc.
- Horizontal vs. vertical place choice dimensions – experiment results in June

Different Plan Dimensions Matter to Different People

Candidate Vendor Requirements

Decision support software configurable:

- Filtering function enables user to filter out/in dimensions of the health plans
- Limit on number of plan dimensions in primary compare plans view? (vertical and/or horizontal compare plans display)
- Content flexibility to support array of plan dimensions like plan valued-added services, quality ratings, network features etc.

Top Choice Dimensions in Primary Display (plans positioned on rows)

CONSUMERS' CHECKBOOK State Exchange Health Plan Comparison Tool

Filters-Use Controls to Personalize Plan
List with Your Preferences:

Plan Type
☒ HMO
☒ CDHP / HDHP
☒ PPO

Overall Quality Score
☒ ★★★★★
☒ ★★★★
☒ ★★★ ☒ ★★ ☒ ★

Estimated Average Yearly Costs
 \$2000 - \$7230
Most You Can Pay
 \$7280 - \$27880

Deductible
 \$0 - \$4000
Yearly Premium Minus Assistance
 \$1615 - \$6115

Submit Reset

Summary Cost Comparison Cost Sharing Coverage Features Vision/Dental/Hearing Plan Flexibility Quality Quality Enhanced

Showing 10 of 22 Plans

Select to Compare	Plan Name	Plan Type	Tier	Estimated Average Yearly Cost for Families Like Yours			Most You Could Pay in a Year	Overall Quality Score - (Personalize Here)	Doctor Result (Click each name for more info)
				Yearly Premium Minus Any Government Assistance	Health-Care Costs YOU Pay	Combined Total Cost			
<input type="checkbox"/>	APWU CDHP	CDHP	Silver	\$1,615	\$385	\$2,000	\$9,340	★★★	Napolitano, Stephen
<input type="checkbox"/>	Aetna HealthFund HDHP	HDHP	Silver	\$1,655	\$835	\$2,490	\$8,150	★★	Napolitano, Stephen
<input type="checkbox"/>	GEHA HDHP	HDHP	Silver	\$1,836	\$724	\$2,560	\$10,930	★★★	Dr. Name Not Found
<input type="checkbox"/>	Aetna HealthFund CDHP	CDHP	Silver	\$2,982	\$49	\$3,030	\$10,650	★★	Napolitano, Stephen
<input type="checkbox"/>	Mail Handlers HDHP	HDHP	Silver	\$2,104	\$926	\$3,030	\$10,450	★	Napolitano, Stephen
<input type="checkbox"/>	Kaiser-Std	HMO	Bronze	\$1,662	\$1,368	\$3,030	\$10,570	★★★★★	Unknown
<input type="checkbox"/>	CareFirst BlueChoice-Hi	HMO	Bronze	\$2,593	\$1,127	\$3,720	\$9,000	★★	Napolitano, Stephen
<input type="checkbox"/>	Aetna Open Access-Basic	HMO	Bronze	\$2,345	\$1,395	\$3,740	\$12,010	★★★	Napolitano, Stephen
<input type="checkbox"/>	Kaiser-Hi	HMO	Bronze	\$2,961	\$899	\$3,860	\$8,770	★★★★★	Unknown
<input type="checkbox"/>	CareFirst BlueChoice-Std	HMO-POS	Bronze	\$2,332	\$1,568	\$3,900	\$7,820	★★	Dr. Name Not Found

Top Choice Dimensions in Primary Display

(plans positioned on columns)

	My top plan choice	My top plan choice	My top plan choice	My top plan choice	My top plan choice	My top plan choice
	Capstone PPO	Crown High-Deductible Health Plan	Summit HMO	Eminent Health PPO	Pinnacle PPO	Zenith HMO
	BRONZE	BRONZE	GOLD	SILVER	SILVER	GOLD
Your Cost						
Yearly premium	\$4,800	\$3,840	\$6,900	\$6,060	\$6,516	\$7,440
Premium tax credit	-\$2,124	-\$2,124	-\$2,124	-\$2,124	-\$2,124	-\$2,124
Cost at Time of Service	\$2,141	\$3,370	\$480	\$1,416	\$1,164	\$240
Total Cost	\$4,817	\$5,086	\$5,256	\$5,352	\$5,556	\$5,556
	Capstone PPO	Crown High-Deductible Health Plan	Summit HMO	Eminent Health PPO	Pinnacle PPO	Zenith HMO
	BRONZE	BRONZE	GOLD	SILVER	SILVER	GOLD
Quality Ratings						
Medical Plan	★★★★	★★	★★	★★★★	★★★★	★★★★
Doctors & Hospitals	★★★★	★★	★★	★★★★	★★★★	★★★★
	Capstone PPO	Crown High-Deductible Health Plan	Summit HMO	Eminent Health PPO	Pinnacle PPO	Zenith HMO
	BRONZE	BRONZE	GOLD	SILVER	SILVER	GOLD
Doctor Choice						
Your Doctor Participates in Plan	Your doctor not found in plan.	Plan includes your doctor.	Plan includes your doctor.	Plan includes your doctor.	Plan includes your doctor.	Your doctor not found in plan.
Seeing a Doctor	No primary care physician (PCP) required; can self - refer to specialist.	No primary care physician (PCP) required; can self - refer to specialist.	Must select a primary care physician (PCP); referral required for specialist.	No primary care physician (PCP) required; can self - refer to specialist.	No primary care physician (PCP) required; can self - refer to specialist.	Must select a primary care physician (PCP); referral required for specialist.

Current Experiments & Upcoming Deliverables

Current experiments

- Best plan options: impact of 'global smart default'
- Order effect: placement of quality & cost
- Defaults: impact of pre-set preferences on plan choice
- Cost at time of care defaults: impact pre-set levels of expected medical use on plan choice
- Trade-offs in placing plans on vertical vs. horizontal axis
- What matters: top preferences when choosing a plan among lower income people
- Consumer exit questionnaire: experience in selecting a plan

Upcoming deliverables

- Business rules installment 2 in June
- Structured English language statements
- Vendor requirements per business rules

Discussion

Participant Q & A

Research collaborators : Eric Johnson, Columbia University; Ran Hassin, Hebrew University; Tom Baker, University of Pennsylvania; Jonathan Levav, Stanford University; and Nick Reinholtz, Columbia University

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